

Staff Summary Report



Council Meeting Date: 7/7/2011

Agenda Item Number: 5E8

SUBJECT: Request approval to adopt a resolution authorizing and providing for the issuance and the sale of not to exceed \$19,000,000 principal amount of City of Tempe Performing Arts Center Excise Tax Revenue Refunding Obligations, Series 2011A, and approving related actions and documents.

DOCUMENT NAME: 20110707fsjh01 BOND SERVICE ADMINISTRATION (0203-01) RESOLUTION NO. 2011.65

COMMENTS: The Finance and Technology Department is looking to take advantage of the current low interest rate environment by refinancing certain maturities of the City's Performing Arts Center Excise Tax Revenue Obligations, Series 2004. The issuance of the Performing Arts Center Excise Tax Revenue Refunding Obligations would allow the City to realize approximate savings of \$738,000 in future debt service costs.

PREPARED BY: Jerry Hart, Deputy Finance and Technology Director - Finance (480) 350-8505

REVIEWED BY: Ken Jones, Finance and Technology Director (480) 350-8504

LEGAL REVIEW BY: Andrew Ching, City Attorney (480) 350-8575

DEPARTMENT REVIEW BY: Ken Jones, Finance and Technology Director (480) 350-8504

FISCAL NOTE: The issuance of the Performing Arts Center Excise Tax Revenue Refunding Obligations would allow the city to realize approximate savings of \$738,000 (annual average of \$82,000 over 9 years) in future debt service costs.

RECOMMENDATION: Staff recommends approval of Resolution No. 2011.65

ADDITIONAL INFO: The sale of the bonds is anticipated to occur in August. Gust Rosenfeld P.L.C., the City's bond counsel, has reviewed and approved the attached resolution.